

PRISON POPULATION ESTIMATES: UPDATE

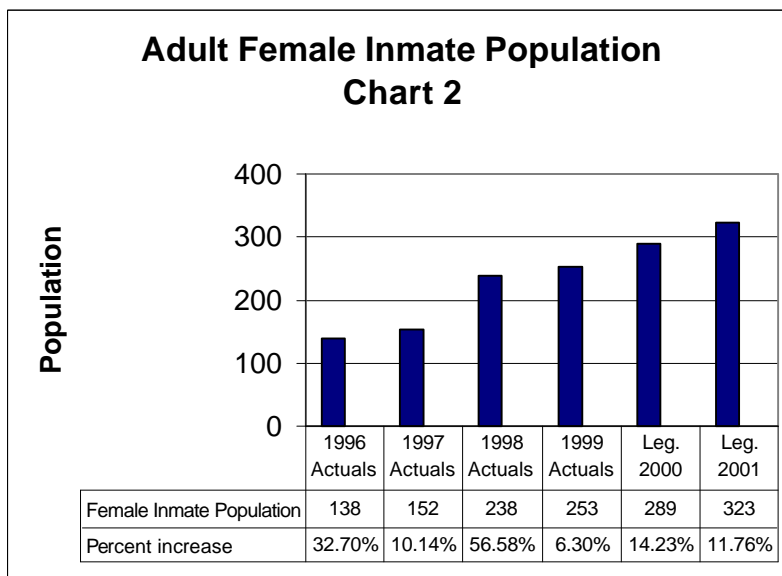
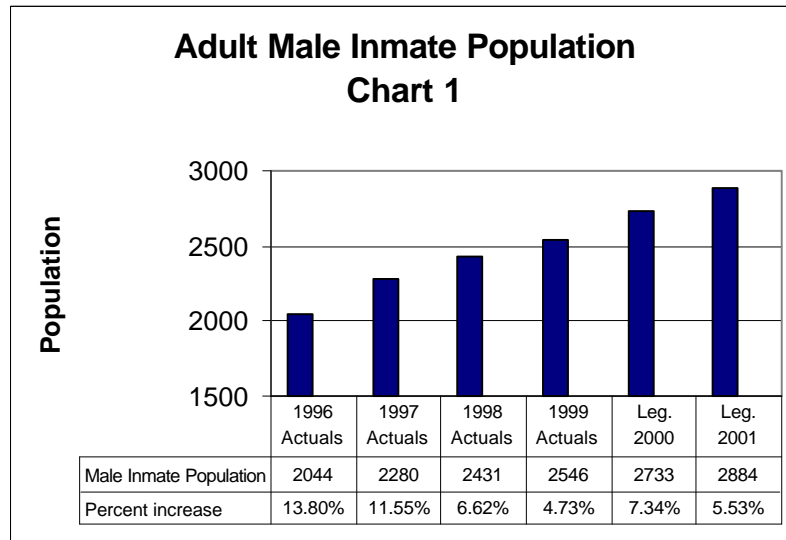
Prepared for the
Legislative Finance Committee
by

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BACKGROUND

The population of adult male inmates in Montana has grown from 2,044 in 1996 to 2,546 in 1999, a 24.5 percent increase. As shown in Chart 1, the percent of growth has decreased each year between 1996 and 1999. Projections used by the 1999 legislature indicate a 7.3 percent increase in fiscal 2000 and a 5.5 percent increase in fiscal 2001.



The adult female population has increased 83.3 percent from 1996 to 1999. As Chart 2 shows, the population increased 56.6 percent between 1997 and 1998 and dropped to a 6.3 percent increase between 1998 and 1999. Projections used by the 1999 legislature would indicate a 14.2 percent growth in fiscal 2000 and an 11.8 percent increase in fiscal 2001.

The 1999 legislature appropriated funds built on projections of 2,733 male inmates at the end of fiscal 2000 and 2,884 at the end of fiscal 2001. The male inmate projections were developed by the Office of Budget and Program Planning (OBPP), which projected male inmate growth through 2001 simply by adding 151 male inmates each year to the actual fiscal year 1998 ending inmate number. This resulted in 302 fewer male inmates and \$5.3 million less in fiscal 2000 and 397 fewer inmates and \$7.0 million less in fiscal 2001 than the Department of Corrections (department) had requested in its proposed budget.

Projections for female inmate populations used by the 1999 legislature were 289 at the end of fiscal 2000 and 323 at the end of fiscal 2001. These were the projections developed by the department in its original proposed budget request.

In September of 1999, the Legislative Finance Committee was given an update of adult inmate populations. At that time, it was projected that the population for both male and female inmates would be lower than originally projected. Because the 1999 legislature approved a \$30.0 million restricted appropriation in HB 2 for contract beds, it appeared in September that there was the potential that \$1.6 million would be reverted to the general fund at the end of the 2001 biennium. The purpose of this report is to update the legislature on population trends and their impact on anticipated expenditures.

CURRENT STATUS

The department makes annual projections of inmate populations in August of each year using a complex forecasting model. During the year, the department monitors the daily populations and observes trends so it can estimate changes in the fiscal year-end population for budget purposes. As of February 23 the department states that the current trend, based on daily count, would indicate a fiscal year end (FYE) population of 2,788 male inmates (compared to the 2,733 legislative estimate) at the end of fiscal 2000. As of December 31, 1999, the male inmate population was 2,654, a 4.2 percent increase over the 1999 fiscal year-end count. A FYE population of 2,788 would reflect a 5.0 percent in the last half of fiscal 2000. The department states the slight increase in male inmate population appears to be due to less time being suspended from sentences of new admissions to institutional settings, such as prison, pre-release, boot camp or intensive supervision (ISP).

Since the September report, the number of male inmates in contract beds has increased beyond the estimate for FYE 2000. The original projection for male inmate contract beds for FYE 2000 was 709. In September, that figure was revised to 747. On December 31, 1999, there were 760 male inmates in contract beds. This represents a 20.3 percent increase from the FYE 1999 contract beds of 632.

An increase in the number of county jail beds being used is a major component of the increase in contract beds. Offenders housed in county jails include: 1) offenders waiting to be transported to Montana State Prison (MSP); 2) parole violators awaiting sentence disposition by the courts; 3) offenders sentenced to the department who are being screened for pre-release or other placements; and 4) offenders accepted by pre-release but awaiting bed space. County jail beds were projected at zero (male and female) for fiscal 2000 and fiscal 2001, but had an average daily population in February of 129 inmates. It was the department's intent to have county jails empty of offenders awaiting transport to MSP; however, the sit down strike in July changed that plan. Because of the number of inmates involved in the sit down, many of the prison's beds were used for administrative segregation, which requires single occupancy cells. This caused a delay in transporting offenders from county jails to MSP. The department anticipates that this transport list will be reduced to zero within the next two to three months due to the Missoula and Shelby facilities being open.

As stated above, approximately \$30.0 million was appropriated for contract inmate beds for the 2001 biennium. (Contract beds include funds for all three regional prisons, the cost to place male and female inmates in private prison facilities, and the cost of housing state inmates in county jails pending transfer to a state correctional facility.) The \$30.0 million appropriated for contract beds was “restricted” in House Bill 2, to prevent the use of these funds for other purposes. (This restriction may serve as a disincentive for the department to move inmates into facilities costing less than contract beds.)

Charts 3 and 4 compare the estimated growth in male and female inmate populations based on the department’s current estimates to the estimates used by the legislature for budget purposes. As Chart 3 shows, the department is estimating a 9.5 percent increase between fiscal 1999 and fiscal 2000 in the adult male inmate population. The original projection would have represented a 7.3 percent increase from fiscal 1999. Chart 4 shows that the most recent department estimates would result in a 7.1 percent increase between fiscal 1999 and 2000 in the adult female inmate population, a reduction from the original projection of a 14.2 percent growth from fiscal 1999.

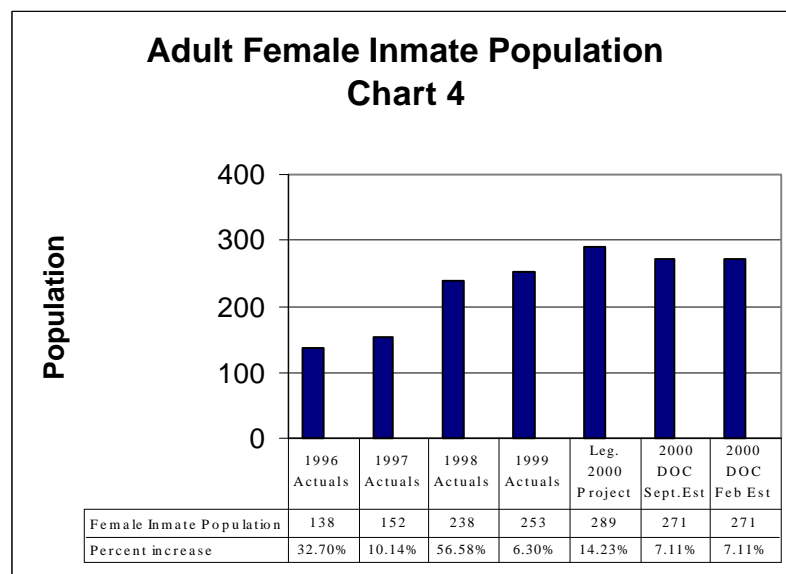
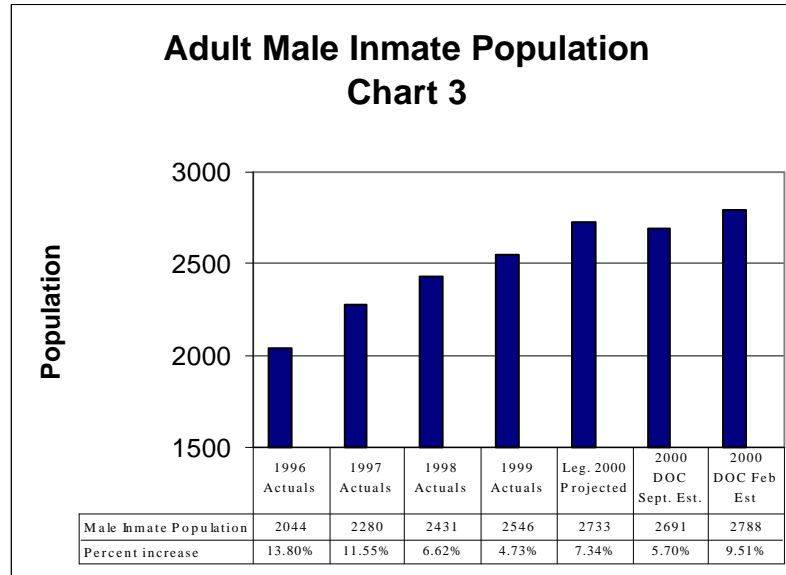


Table 1 compares the inmate projection figures used by the 1999 legislature with actual fiscal 1999 year-end totals and the most recent projections of the department. As shown in Table 1, a net change of 37 inmates is projected for FYE 2000.

Table 1 Adult Male & Female Inmate Populations Fiscal 2000				
	Fiscal 1999 Actuals	Fiscal 2000 Fiscal Report	Jan. DOC Est. Fiscal 2000	Fiscal 2000 Change Over/(Under)
Male Inmates	2,546	2,733	2,788	55
Female Inmates	253	289	271	(18)
TOTALS	2,799	3,022	3,059	37

FISCAL IMPACT OF NEW PROJECTIONS

Assuming there are 2,788 male inmate and 271 female inmates at FYE 2000, Table 2 reflects what increased cost the department would bear above appropriated amounts in fiscal 2000. The cost per day of correctional institutions is based on the average daily population (ADP) rather than the fiscal year-end populations that are used in the preceding charts and tables. The fiscal year-end numbers are converted to ADP by assuming that the ADP would be the average between the beginning population for a fiscal year and the ending population for that fiscal year. Because it is not known which category inmates will be moved out of or moved into, Table 2 uses the average of the costs per day of the correctional facilities, pre-release, and ISP.

As Table 2 shows if the department's projections are realized in fiscal 2000, there would be a costs savings for the reduction in female inmates but an increased cost for adult male inmates. The total impact on the department in fiscal 2000 would be an increased cost of \$268,270.

Table 2 Estimated Cost of Population Changes		
	Fiscal 2000 Adult Male	Fiscal 2000 Adult Female
ADP Inmate Change	27.50	(9.00)
# Days in Fiscal Year	365.00	365.00
Cost per Day (Est)	\$45.31	\$56.77
Total Budget Change	\$454,765.67	(\$186,496.02)
Fiscal Year Total	\$268,269.65	

SUMMARY

The department states that when projections of inmates are made, it should be understood that the projections could vary plus or minus 5 percent. Therefore, when the adult male population was projected at 2,691 for fiscal 2000, the actual FYE population could be as low as 2,556 or as high as 2,826. If these highs and lows are translated into average daily population and the average cost per day from Table 2 is used, this could result in a swing of \$1.1 million.

Credible projections are important in the short term, but critical for the long term as decisions on large capital outlays are based on long-term forecasts. The 1999 legislature based the 2001 biennium budget on the more conservative OBPP growth estimates for inmate populations. The department is now projecting that the population for fiscal year-end 2000 will exceed the numbers used by the 1999 legislature and may have to find an additional \$268,270 in its budget as compared to a projected savings of \$1.6 million in September of this year.

As has been stated before, it is vital to have improved forecasting of inmate populations by the executive branch. In the hopes of improving future projections, the department is in the process of creating the Governor's Standing Advisory Committee for Inmate Projections. This advisory committee will provide a forum for the discussion of issues and trends that impact corrections populations. It will be comprised of representatives from the legislature, judiciary, law enforcement, corrections, the Board of Pardons and Parole, and the public to develop a shared understanding of factors that impact correctional populations of Montana. The committee will also advise corrections staff in the development of a more sophisticated projections model for use in legislative and correctional decision-making.

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